



**CABRERA CAPITAL
MARKETS**

MUNICIPAL MARKET UPDATE

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Markets endured a historic stretch of volatility last week, driven by escalating global trade tensions that sparked widespread selling pressure and disappearing liquidity to levels not seen since 2020. Munis and US Treasuries suffered, with MMD and US Treasuries closing the week dramatically higher.

Most municipal primary market transactions were moved to day-to-day status, except for a select few transactions. Municipal fund flows reported on Wednesday, April 10 showed record breaking outflows of \$3.3 billion. The SIFMA municipal swap index rose a drastic 169 bps, resetting at 4.41%. March results for CPI and PPI were also released last week, both coming in lower than expectations at 2.4% and 2.7%, respectively. However, what would normally be positive economic news was largely ignored given the ongoing global trade concerns. Over the weekend, the President paused tariff increases on certain tech items, giving all markets some relief as of publication.

This holiday-shortened week, macro uncertainty will continue to drive markets and we will be sure to keep you abreast of any notable developments.

INTEREST RATE SNAPSHOT

MMD 1 Week Change				UST 1 Week Change			
Term	Apr-04	Apr-11	Change (bp)	Term	Apr-04	Apr-11	Change (bp)
2yr	2.45%	3.23%	+78	2yr	3.68%	3.96%	+28
5yr	2.59%	3.37%	+78	5yr	3.72%	4.15%	+43
10yr	2.97%	3.66%	+69	10yr	4.01%	4.48%	+47
20yr	3.81%	4.43%	+62	20yr	4.44%	4.91%	+47
30yr	3.99%	4.64%	+65	30yr	4.41%	4.85%	+44

Approximately \$6.12 billion is expected to be priced this week. Subject to market conditions, Cabrera will serve as Sole Manager on transactions for Rio Hondo Community College District (\$200mm) and the City of Santa Fe Springs (CA) (\$31mm), and Co-Manager on transactions for the City of New York (\$1.75bn), and Los Angeles International Airport (\$1.47bn). This week’s largest deals include:

- 🔗 \$1.750 billion City of New York, Taxable General Obligation Bonds, Fiscal 2025 Series H (Aa2/AA/AA/AA+)
- 🔗 \$1.477 billion Dept. of Airports of the City of LA, Los Angeles Intl. Airport Series D, E, and F (Aa3/NR/AA-)
- 🔗 \$928.435 million State of Oregon GO Bonds Series A, C, D (Non-AMT) and Series B (Taxable) (Aa1/AA+/AA+/NR)



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SELECT DEALS LAST WEEK

Due to the extreme volatility experience in the municipal market last week, the majority of the anticipated negotiated calendar was delayed. A couple of deals early in the week continued with pricing and were able to clear the market despite the significant increase in rates primarily due to the liquidity of the issuers' bonds. Of the expected \$9 billion negotiated calendar last week, approximately \$3.5 billion were priced, of which nearly half of it came from the \$1.5 billion City of New York General Obligation transaction. Below are additional details for the larger transactions that priced last week:

- ✦ The City of New York (Aa2/AA/AA/AA+) (Cabrera Co-Manager) priced \$1.5 billion of General Obligation Bonds. The City began the Retail Order Period on Monday morning when the market was showing up to a 35 basis point increase in MMD. The transaction struggled during the Retail Order Period and only garnered \$139 million of orders. Entering the Institutional Order Period on Tuesday, the scale was cheapened 13-21 basis points on top of the 33-35 basis point cuts in MMD. The transaction ended up clearing the market following the Institutional Order Period, spreads remained unchanged going into final pricing, and no balances remained.
- ✦ The State Public Works Board of the State of California (Aa3/A+/AA-/NR) (Cabrera Co-Manager) priced \$603 million tax-exempt and \$103 million taxable Lease Revenue Bonds. The taxable portion began Initial Price Talks on Monday with the intention to accept Indications of Interest, Launch, and Price on Tuesday. Amid the sell off in treasuries, the taxable portion did well and was bumped 2-10 basis points going into final pricing. The tax-exempt portion began premarketing on Monday and decided to do a combined Retail and Institutional Order Period on Tuesday. Following premarketing, the scale was cheapened 15 basis points in addition to the 33-35 basis point cuts in MMD. Following the order period, the transaction was bumped 2-3 basis points within 10 years and the rest of the scale remained unchanged.
- ✦ Inglewood Unified School District (A3/NR/AA+/NR) priced \$165 million of General Obligation Bonds. It was originally scheduled to price Wednesday, but due to the volatility in the market, the transaction was put on day-to-day status. Once rates were rallying Thursday morning, the transaction entered the market at a scale 30 basis points lower than where they had started earlier in the week. The transaction was heavily oversubscribed following the order period, up to 20 times oversubscribed on the long end. At repricing, the scale was bumped 5-20 basis points.



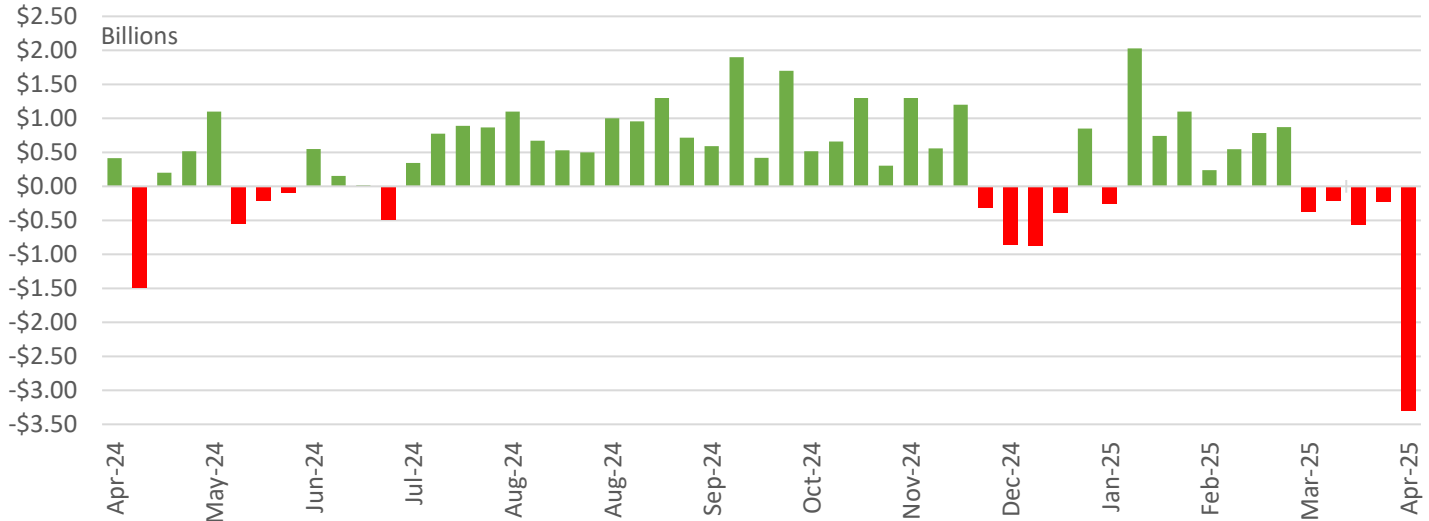


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MUNICIPAL FUND FLOWS

Week 4/3/2025 – 4/9/2025 saw outflows of \$3.3 billion

Source: Lipper



UPCOMING NEGOTIATED CALENDAR

Size (\$mm)	Issuer	State	Description
1,750.000	The City of New York*	NY	Taxable General Obligation Bonds
1,477.380	Department of Airports of the City of LA*	CA	Subordinate Rev. and Refunding Rev. Bonds
928.435	State of Oregon	OR	General Obligation Bonds
466.550	Dormitory Authority of the State of New York	NY	Revenue Bonds
466.095	Oregon State Dept. of Administrative Services	OR	Oregon State Lottery Revenue Bonds
289.430	San Francisco Unified School District	CA	General Obligation Bonds
252.225	Jersey City Municipal Utilities Authority	NJ	Obligation Water Project Notes
201.140	Rio Hondo Community College District**	CA	General Obligation Bonds 2024 Election
186.155	Houston Independent School District	TX	Limited Tax Refunding Bonds
159.440	Board of Trustees of Western Michigan Uni.	MI	General Revenue Bonds
157.245	New York City Housing Development Corp.	NY	Multi-Family Housing Revenue Bonds
151.235	Phoenix Union High School District	AZ	School Improvement Bonds
90.055	Cape Fear Public Utility Authority	NC	Water and SS Revenue and Refunding Bonds
77.630	San Ysidro School District	CA	General Obligation Bonds
62.350	City of Kansas City	MO	General Obligation Bonds
43.045	Central Bucks School District	PA	General Obligation Bonds
32.925	Monroe School District No. 103	WA	General Obligation Refunding Bonds
31.110	City of Santa Fe Springs**	CA	2025 Special Parcel Tax Revenue Bonds

*Cabrera will serve as Co-Manager

**Cabrera will serve as Sole Manager



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NOTABLE FIXED-RATE NEW ISSUE RESULTS FROM LAST WEEK

The City of New York*				State Public Works Board*				Inglewood Unified School District			
NY				CA				CA			
8/1/2035				4/1/2035				8/1/2035			
Tax-Exempt				Tax-Exempt				Tax-Exempt			
1,500.000				603.020				165.000			
Aa2/AA/AA/AA+				Aa3/A+/AA-/NR				A3/NR/AA+/NR			
Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread	Maturity	Coupon	Yield	Spread
2027-2044	5.000	3.100-4.700	35-60	2026-2046	5.000	3.000-4.600	27-51	2026-2039	5.000	3.410-3.960	0-8
2045-2046	5.250	4.700-4.730	53-54	2050	5.000	4.670	40	2036-2044	5.500	4.040-4.650	5-10
2048	5.250	4.770	54								
2050	5.250	4.820	55								
2053	5.250	4.870	55								

*Cabrera served as Co-Manager

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The City of New York priced two series of bonds aggregating \$1.57 Billion in par simultaneously with the Series listed above

State Public Works Board of the State of CA priced two series of bonds aggregating \$706 Million in par simultaneously with the Series listed above

ECONOMIC CALENDAR (ALL TIMES IN ET)

Monday	Tuesday	Wednesday	Thursday	Friday
14-Apr	15-Apr	16-Apr	17-Apr	18-Apr
6:00 PM Philadelphia Fed President Patrick Harker speaks	8:30 AM Import price index	8:30 AM US retail sales	8:30 AM Initial Jobless Claims	Good Friday Holiday
7:40 PM Atlanta Fed President Bostic speaks		9:15 AM Industrial production	8:30 AM Building permits	
		9:15 AM Capacity utilization		
21-Apr	22-Apr	23-Apr	24-Apr	25-Apr
10:00 AM U.S. leading economic indicators	None scheduled	9:45 AM S&P U.S. manufacturing PMI	8:30 AM Initial Jobless Claims	10:00 AM Consumer sentiment (final)
		10:00 AM New home sales	8:30 AM Durable-goods orders	
		2:00 PM Fed Beige Book	8:30 AM Core durable orders (business investment)	

